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DOS review completed

GENERAL

1. Czechoslovaks believe USSR willing to risk war -- US Ambassador Steinhardt has been told by "an informant who has access to one of the members of the new Czechoslovak Cabinet" that the Deputy Foreign Minister of the Soviet Union recently confided in Premier Cotwald the possibility that war will break out "when the weather gets better." Steinhardt's informant gained the impression that the Czechoslovak Cabinet's present view is that the Soviet Union regards the establishment of Communist-dominated governments throughout Europe before the fall of 1948 as essential and has decided to devote every effort to that end during the next few months despite the possibility of war with the western powers.

(CIA Comment: CIA does not believe that the USSR is presently prepared to risk war in the pursuit of its aims in Europe.)

2. US support of western European union recommended -- US Embassy The Hague comments that the Dutch people view the speed and scope of the negotiations for a western European union as a very real crystallization of anti-Communist sentiment and as an indication that a neutral position is no longer possible. The Embassy stresses that further evidence of US support for the treaty would be particularly valuable and suggests either a strong White House endorsement of the treaty or a joint Congressional resolution to indicate that the US is aware that the western European democracies are defending democratic principles.

US Charge Millard in Belgium points out also that the five powers represented in the Brussels negotiations would be disappointed if some official US statement supporting the treaty did not accompany its publication.

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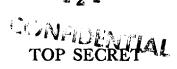
EUROFE

- 3. FINLAND: Passikivi less apprehensive about Soviet pacture US Minister Warren vas informed by Field Marshal Manner heim (before his departure for Switzerland) that President Passikivi is less nervous and depressed over the pending Soviet-Finnish pact negotiations. The President is reportedly considering limiting the powers of the Finnish delegates so that they will serve merely as messengers to transmit material for decisions to be made in Helsinki.
- 4. ITALY: Communist coup reportedly planned for 15 April-US Ambassador Steinhandt in Prague has been informed by a source with "close contacts with well-informed Communist circles" that a Communist "putsch" in Italy is planned for 15 April (three days before the Ealian elections).

(CIA Comment: CIA has no evidence indicating that the Italian Communists have abandoned their plan to obtain participation in the Italian Government by electoral means)

5. GERMANY: Communist demonstrations planned—US Political Adviser Murphy in Berlin has learned that the Communist are planning propaganda demonstrations for 18 March, the 100th anniversary of the liberal revolution of 1848. Murphy adds that the theme of these demonstrations will be "German unity" and that the chief Communist mouthpiece will be the Peoples Congress in Berlin.

(CIA Comment: CIA believes that such demonstrations are being planned and that the Communists will make an accompanying demand for a referendum on German unity. Because such a request for a referendum will be associated with the USSR, it is expected to meet with little popular response in the western sones.)



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6. INDONISIA: Agreement on Futch and Republican demobilization—The US delegation of the Good Cifices Committee reports from Batavia that Premier Kaita of the Indonesian Republic and Acting Governor General Van Mook of the Netherlands E of Indies Forestown of the Committee regarding the mutual reduction of Fracel forces and the eventual merger of Dutch and Republican forces into a national army of the United States of Indonesia. The US delegation indicates tire, in order to help Hatta work out the complex problem of dendoilizing over 200,000 Republican troops within a time limit acceptable to the Dutch, it proposes to adopt the following plans: (a) secure at least a token Dutch demobilization at once and give it wide publicity; (b) widen den ilitarized Hones wherever possible; c) offer Premier Ratta, if both parties approve, the rervices of US military adviser.

(CTA Comment: The reduction and merger of Dutch and Republican forces was the issue over which negotiations collapsed in July 1947. An agreement on this matter, even it only "in principle," represents a significant advance toward the rest matter of peace in Indonesia. CTA believes that only through the Good Offices Committee can Dutch impatience with the puce of Republican demobilization be restrained sufficiently to avoid jeopardizing this progress toward peace.)